GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:912
ANSWERED ON:23.10.2008
SUBSIDY ON FERTILIZERS
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the fertilizers subsidy is estimated to be around Rs. 1,25,000 crores during the current year in the country;

(b) if so,whether the Fertilizer subsidy was earlier projected to be around Rs.30,986 crores by the Government;

(c) if so,the factual position in this regard;and

(d) the reasons for such a huge gap between the Government projection and the actual position?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AMD MINISTER OF STATE IN THE MINISTRY OF MINES(SHRI B.K. HANDIQUE)

(a) to (d) The requirement of fertilizer subsidy for 2008-09 was projected at Rs. 48,379.70 crore in October,2007 at the time of finalization of B.E 2008-09.Against the above projected requirement, the allocation under BE 2008-09 is Rs.30,986 crore only.The requirement of fertilizer subsidy was subsequently enhanced to Rs. 1,19,772 crore due to sharp increase in international prices of fertilizers. The balance requirement of subsidy is proposed to be met through allocation under supplementary demand for grants 2008-09.